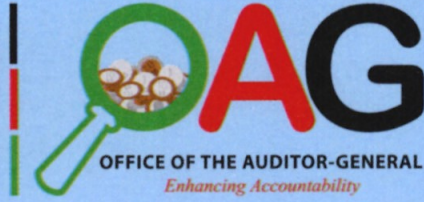



REPUBLIC OF KENYA



 THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT	
DATE: 26 FEB 2026	
DAY. THUR	
TABLED BY:	DEPUTY MAJORITY WHIP
CLERK-AT THE-TABLE:	V. KAMBUI

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

KENYA FISH MARKETING AUTHORITY

**FOR THE YEAR ENDED
30 JUNE, 2025**



KFMA
Fish for Health and Wealth

KENYA FISH MARKETING AUTHORITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025

**Prepared in accordance with the Accrual Basis of Accounting Method under the International
Public Sector Accounting Standards (IPSAS)**

***Kenya Fish Marketing Authority
Annual Report and Financial Statements
for the year ended June 30, 2025.***

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1. Acronyms and Definition of Key Terms

A: Acronyms

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
VC	Vice Chancellor
KFMA	Kenya Fish Marketing Authority

B: Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organization.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

a) Background information

Kenya Fish Marketing Authority was established under Section 198 of the Fisheries Management and Development Act Cap. 378, on 29th September 2016. The Entity is domiciled in Kenya and has its Head Office at Museum Hill Nairobi.

The Authority is represented by a Board of Directors whose responsibility is to ensure that there is proper and effective performance of the functions of Fish Marketing Authority.

The Authority was categorized as Parastatal Category 3C by the State Corporations Advisory Committee in March, 2022 with 5 departments and 2 Divisions.

The departments are;

1. Marketing Development and Client Services Department
2. Marketing Research and Information Management Department
3. Corporate Services Department
4. Corporation Secretary and Legal Services Department
5. Internal Audit Department

The divisions are;

1. Strategy and Planning Division
2. Supply Chain Management Division.

Vision Statement

To be the leading agency in marketing of fish and fishery products globally.

Mission

To facilitate competitive marketing of fish and fisheries products locally and internationally to support the socio-economic development of Kenya.

Mandate

The Authority is mandated to Market Fish and Fisheries Products from Kenya.

Core Values

In order to fulfil its mandate and realize its vision and mission, the operation of the Kenya Fish Marketing Authority will be guided by the following principles: -

- i. Integrity.
- ii. Reliability.
- iii. Transparency.
- iv. Professionalism; and
- v. Accountability.

Core Functions

- a) Develop, implement and co-ordinate a national fish marketing strategy.
- b) Identify fish market needs and trends and advise fisheries stakeholders accordingly.
- c) Ensure that fish and fisheries products from Kenya enjoy market access at local, national, regional, and international levels as premier products and, to this end, that the products and markets are developed and diversified.
- d) Organize stakeholders to ensure smooth marketing of fish and fishery products.
- e) Collaborate with national and international trade related bodies.
- f) Advise the cabinet secretary on issues related to national and international trade trends; and
- g) Promote the sustainable use of fish by preventing, deterring, and eliminating to the extent possible trade in illegal, unreported and unregulated fishing.
- h) Enforce National Fisheries trade laws and international fisheries related trade rules; and
- i) Perform any other functions that are ancillary to the object and purpose for which the fish marketing authority is established.

a) Key Management

The Authority's day-to-day management is under the following key organs:

- The Board of Directors.
- The Chief Executive Officer.
- Department of Market Research and Information Management.
- Department of Market Development and Client Services.
- Corporate Services Department
- Corporation Secretary and Legal Services Department

b) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility.

No.	Designation	Name
1.	Ag. Chief Executive Officer	Charles Ogwang
2.	Head of Corporate Services	None
3.	Head of Finance (Senior Chief Finance Officer, State Department for Blue Economy and Fisheries)	Martin Wamwea (State Department)
4.	Chief Supply Chain Officer, State Department for Blue Economy and Fisheries	Sammy Okonji (State Department)

c) Fiduciary Oversight Arrangements

a) Audit and Risk Committee, Finance Committee, Technical Committee and Human Resource Committee.

The Authority's Risk and Audit Committee, Finance Committee, Technical Committee and Human Resource Committee have been active vide the Mwongozo Code of Governance for State Corporations 2015.

b) Parliamentary Committee activities

The Authority handled various issues at the National Assembly of Parliament:

National Assembly – Departmental Committee on blue economy, water and irrigation (confirm this)

- a) Statements
- b) Petitions
- c) Motions
- d) Workshops/Seminars
- e) Meetings with Departmental Committees

c) Authority's Headquarters

P. O. Box 47170-00100,
 Museum Hill,
 Nairobi, KENYA

d) Entity Contacts

Telephone: (254) 713906169
 E-mail: info@kfma.go.ke
 Website: <https://www.kfma.go.ke>

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e) Entity Banker

Central Bank of Kenya
Haile Selassie Avenue
P. O. Box 60000
City Square 00200
NAIROBI, KENYA

f) Independent Auditor

Auditor-General
Office of the Auditor General
Anniversary Towers, University Way
P. O. Box 30084
GPO 00100
Nairobi, Kenya

g) Principal Legal Adviser

The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P. O. Box 40112
City Square 00200 Nairobi, Kenya

Key Entity Information and Management (continued)

(a) Independent Auditor

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(b) Principal Legal Adviser

The Attorney General

State Law Office and Department of Justice



Harambee Avenue

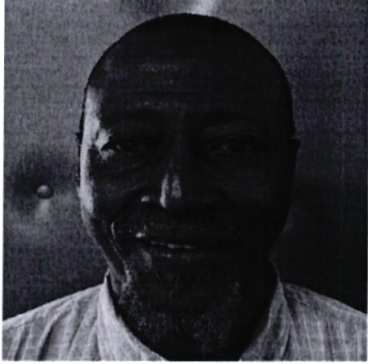

P.O. Box 40112

City Square 00200




Nairobi, Kenya


3. The Board of Directors/Council

Ref	Directors	Details
1.	 <p data-bbox="220 1077 676 1111">Hon. Martin Ogindo. Chairperson</p>	<p data-bbox="794 483 1059 517">Board Chairperson</p> <p data-bbox="794 539 1458 741">Hon. Martin Ogindo, a renowned Public Finance Consultant, was born on 28th December 1966 and holds a Master of Science (Finance) degree from the University of Nairobi.</p> <p data-bbox="794 763 1458 853">He was Member of Parliament for Rangwe Constituency during the period 2008-2013.</p> <p data-bbox="794 875 1458 965">He served as the Chairman of the Budget Committee of the Kenya National Assembly.</p> <p data-bbox="794 987 1458 1234">He has held other senior roles as the Advisor Public Finance and Budget to the Council of Governors and at the Office of the Governor, Nairobi City County as the Advisor Planning, Finance and Strategy.</p>
2.	 <p data-bbox="220 1720 620 1753">Dr. Gilbert Kimutai Arap Bor.</p>	<p data-bbox="794 1279 1195 1312">Independent Board Member.</p> <p data-bbox="794 1346 1468 1435">He is the Vice-Chairperson of the Board. Dr. Bor was born in 1953.</p> <p data-bbox="794 1458 1468 1603">He holds a Doctor of Philosophy in Business Management (Marketing) from Moi University where he also Lectures in Marketing Management.</p> <p data-bbox="794 1626 1468 1984">Holds an MSc International Community Economic Development (Marketing Track) degree and a Bachelor of Business Management (Micro-Enterprise Development – Marketing) He is an expert in Marketing Management, Principles of Marketing, Marketing Strategy and Research.</p> <p data-bbox="794 2007 1422 2040">He previously worked for Rift Valley Bottlers as</p>

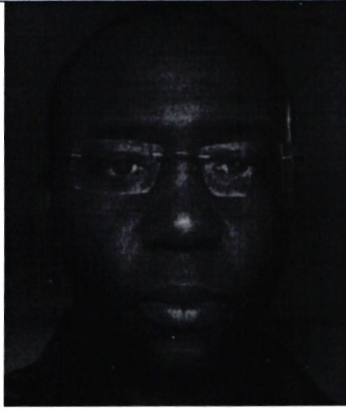

		<p>a Marketing Executive. He is the Chairperson of the Technical Committee</p>
<p>3.</p>	 <p>Mr. Hamid Mohammed Omar</p>	<p>Independent Member Mr. Hamid Omar was born in 1963. Mr. Hamid Omar is a seasoned expert in the Hospitality Industry. He is the Chairperson of Wavuvi Association of Kenya and currently the Chairperson of the Audit and Risk Committee.</p>
<p>4.</p>	 <p>Mr. Joseph Mwangi.</p>	<p>Independent Board Member. Joseph Mwangi was born on 22nd September, 1978. He is a seasoned Lawyer in Civil/Commercial litigation Conveyance and Arbitration and Holds a Bachelor of Laws Degree from Moi University. He is an advocate of the High Court of Kenya, Commissioner of Oaths, and an associate member Chartered Institute of Arbitrators. Currently chairs the Finance Committee</p>



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5.	 <p>Mr. Joseph M. Katumo.</p>	<p>Alternate Board Member, State Department for the Blue Economy and Fisheries.</p> <p>Mr. Katumo was born on 4th June 1964 and Holds a Master’s Degree in Economics from the University of Nairobi. He is currently the Director of Planning at the State Department for Blue Economy and Fisheries and has expertise in Project Development and Management, Policy formulation and implementation, Performance Contracting and Capacity Building.</p> <p>He is a member of the Technical and Human Resources Committee.</p>
6.	 <p>Mr. Robert Kiteme</p>	<p>Representative, Council of Governors.</p> <p>Mr. Robert Kiteme was born on 28th February, 1988. Robert holds a Master of Science in Agricultural Resource Management and a Bachelor of Science Agriculture (Economics) from the University of Nairobi.</p> <p>He is an agricultural economist with 10 years’ experience, with a good understanding of agricultural sector, policy, legal frameworks and government protocols and processes and bilateral and multi-lateral negotiations and programming.</p> <p>He is the Chairperson of the Human Resources Committee</p>
7.	 <p>Ms. Catherine Njoroge.</p>	<p>Alternate director to the Principal Secretary, National Treasury.</p> <p>Catherine Njoroge was born on 26th April, 1978. She holds a Master of Arts in Communications Degree and an experienced professional in Government Communications with over 20 years’ experience. She is a member of Public Relations Society of Kenya.</p> <p>She is a member of the Finance, Risk and Audit</p>

		Committees.
8.	Grace Kimitai	She is an alternate Board Member from the State Department for Economic Planning.
9.	 <p>Mr. Samuel Mwirigi Mukindia</p>	<p>Alternate Board Member, State Department for Blue Economy and Fisheries</p> <p>Mr. Samwel Mwirigi Mukindia is the Alternate Board Member to the Principal Secretary, State Department for Blue Economy and Fisheries in the KFMA Board replacing Mr. Joseph Katumo whom his term has expired. He is currently the Director of Planning in the State Department for Blue Economy and Fisheries. Mr. Mukindia who was born on 21st July, 1982 holds a Master of Arts degree in Project Planning and Management from University of Nairobi, a Bachelor of Arts in Economics (First Class Honors) from Egerton University and he is also a Certified Public Accountant (CPA K). He is a full member of the Economist Society of Kenya (ESK). Mr. Mukindia is a highly accomplished Economist with a wealth of experience in public service in areas of planning, policy development, project monitoring and evaluation. He has served in both National and Devolved governments. During his career he has received several trainings within and outside the country in various areas of planning.</p>

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<p>10.</p>	 <p>Mr. Robert Kungu</p>	<p>Representative, Office of the Attorney General</p> <p>Mr. Robert Kungu was born on 28th October, 1973. Robert currently serves as a Chief State Counsel whose responsibilities include Negotiating, Drafting and Vetting Complex Local and International Documents, Agreements and Treaties for and behalf of government ministries and departments.</p> <p>Undertaking interpretation of local and international Agreements and Treaties for and on behalf of government ministries and departments.</p> <p>Provision of legal advice to the Government on the activities of bodies, commissions and other</p>
<p>11.</p>	 <p>Mr. Simon Mungai</p>	<p>Alternate Director to the Principal Secretary, National Treasury.</p> <p>Mr. Simon Mungai is the Alternate Board Member representing the Principal Secretary, National Treasury, on the KFMA Board replacing Ms. Catherine Njoroge whom his term has expired. He currently serves as Deputy Director in the Department of Debt, Policy, Strategy and Risk Management (DPSRM) at the Public Debt Management Office (PDMO) within the National Treasury.</p> <p>Mr. Mungai holds a Master of Arts degree in Project Planning and Management (MAPPM) from the University of Nairobi and a Bachelor of Arts degree in Economics and Mathematics from Maseno University. He is also a full member of the Economist Society of Kenya (ESK).</p> <p>He has extensive experience in the public sector, with a focus on public debt management, policy formulation and implementation, performance contracting, and project planning and development at both national and county levels. Mr. Mungai has contributed to the preparation of key policy</p>

		<p>documents, including the Medium-Term Plans of Kenya Vision 2030 and sector-specific Medium-Term Expenditure Frameworks.</p> <p>He has attended numerous professional courses and training programs, both locally and internationally, enhancing his expertise in public finance and economic management.</p>
12.	 <p>Mr. Joel Mwangi Munyiri</p>	<p>Alternate Director, PS State Department for Trade and Enterprise Development.</p> <p>Mr. Munyiri was born in 1969. He is a holder of a master's degree in international Trade and Economic Cooperation and a Bachelor's degree in economics and Sociology.</p> <p>He has wide experience in trade promotion, Inter-Governmental co-ordination, and promotion of Small and Medium Enterprises.</p> <p>He is a member of the HR and Technical Committees.</p>
13.	 <p>Mr. Charles C. O. Ogwang</p>	<p>Ag. Chief Executive Officer and Secretary to the Board.</p> <p>He is a seasoned value chain development specialist with over twenty years in agricultural and fisheries value chain development. He holds Bachelor's degree in Agribusiness Management from Egerton University, he also holds masters in Economics in Maseno University, Post graduate trainings in; Value Chain Development for Sustainable Use of Fisheries Resources at Hokkaido University, Japan; Illegal Unreported Unregulated (IUU) Fishing Management from Korea Maritime Institute (KMI), Korea, Agribusiness (Value Chain Analysis from the University of Queensland, Australia, Senior Management Course from Kenya School of Government, Baringo Campus, Community</p>

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		<p>Managed Disaster Risk Reduction (CMDRR), Drought Management Initiative (EC), Disaster Risk Reduction and Management by World Vision and Research Methods, Thinking Scientifically by World Agroforestry Centre / ICRAF – Kenya.</p> <p>Mr. Charles has a wide experience in public and private industries focusing on education, processing and civil service institutional management.</p>
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4. Key Management Team

	Name	Details
1.	 <p>Mr. Charles O. Ogwang Bachelor of Agribusiness Management, Economics (MA)</p>	<p>Responsibilities as per the (FMDA, 2016 Section 201 (h))</p> <ul style="list-style-type: none"> i. Policy, Procedures, Strategies, standards and guidelines formulation, implementation/execution, and review. ii. Liaison between Board and Secretariat. iii. Exercise the roles of Accounting and Authorized officer. iv. Day to day management and administration. v. Oversee Preparation of annual budgets and establishment of proper internal monitoring and control systems and procedures vi. Strategic leadership. vii. Capacity Building and Performance Management viii. Ensure Compliance with relevant laws. ix. Promote Corporate Image and enhance collaboration.

5. Chairman's Statement

It is with great pleasure to present the Chairman's Report as part of the Kenya Fish Marketing Authority Annual Report and Financial Statement for the Financial Year 2024/25. This report reflects our commitment to transparency, accountability and prudent management of resources. The year has seen notable progress in achieving our strategic objectives, despite challenges in the operating environment.

I wish to commend the management, staff, and stakeholders for their dedication and contributions towards our collective success. We remain committed to sound governance, sustainable growth, and delivering value to all our stakeholders.

Strategic Implementation and Budget Allocation

During the FY2024/25, the Authority successfully implemented key strategic initiatives aligned with its mission and long-term goals including the objectives outlined in our Strategic Plan (2023-2027). This included the completion of our key core mandates, enhancement of service delivery, and adoption of innovative practices to improve efficiency.

Budget allocation for the financial year was an approved budget of Kshs.70.69 million that was effectively absorbed and managed to ensure optimal use of resources, with funds directed towards high-impact programs and operational needs. The detailed report provides a comprehensive account of the financial year activities, reinforcing our commitment to transparency and accountability.

This prudent financial management resulted in timely project execution and measurable outcomes that resulted to the Authority's overall improved performance and sustainability.

Annual Financial Statements (AFS)

The Annual Financial Statements (AFS) for the Financial Year 2024/25 present a comprehensive overview of the Authority's financial activities, highlighting the allocation and utilization of funds. They include both the **Annual Report**, highlighting strategic achievements, operational milestones, and stakeholder engagements, and the **Financial Statements**, detailing income, expenditure, assets, and liabilities.

These statements provide transparency and accountability, showing how resources were mobilised, allocated, and utilised to achieve Authority objectives, identifying areas for improvement, and guiding future planning to ensure sustainability and growth.

Major Achievements

The past fiscal year saw realization of key achievements which include;

- **Implementation of KFMA Strategic Plan.**

This vital document is designed to strengthen our market presence both locally and internationally by increasing the competitiveness of Kenyan fish and fisheries products. The Strategic Plan is not just a roadmap for the next five years; it is a cornerstone of our efforts at the Kenya Fish Marketing Authority. It provides guidance on resource utilization, and ensures that we are well-positioned to meet the challenges and opportunities in the global marketplace.

Our goal is to fully implement all the Strategic Goals which are;

- ❖ Improved capacity to market fish and fisheries products;
- ❖ Functional policy and legal frameworks; and
- ❖ Enhanced market access for fish and fisheries products locally and internationally.

The achievement of these goals will be geared towards driving sustainable growth and elevating the standards of key value chain players in the Blue Economy.

- **Commercialization of Beach Management Units**

The commercialization of Beach Management Units aims at transform BMUs from primarily regulatory and conservation entities into economically viable community organizations. In line with the Kenya Kwanza Government's Bottom-Up Economic Transformation Agenda, we embarked on a pivotal transformation of 460 BMUs into viable fish marketing groups for commercialisation. So far KFMA has transformed 175 BMUs into fish marketing groups and sensitized 448 BMUs on formation of marketing groups

This involves diversifying their activities beyond fisheries management to include value addition, fish processing, eco-tourism, aquaculture, and other income-generating ventures.

By adopting business-oriented approaches, BMUs can increase revenue streams, improve infrastructure, and enhance livelihoods for fishing communities.

Strategic partnerships with private investors, government agencies, and development partners are key to supporting capacity building, access to markets, financial linkages, and sustainable resource use, ensuring both economic growth and conservation of aquatic ecosystems.

- **Development of key fish marketing governance instruments**

The Authority towards strengthening governance instruments, developed the following;

- a. Post-harvest loss management tool
- b. Market Standard Operating Procedures
- c. Risk Management Framework
- d. Fish Value Chain Actors Training Manual

- **Finalization of the National Fish Marketing Strategy**

The Authority developed a draft National Fish Marketing Strategy awaiting launch in the Financial Year 2025/26. This document is critical to steer strategic actions aimed at enhancing the market share of fish and fisheries products from Kenya in the local and international markets.

- **Promotional Activities**

We undertook extensive promotional activities across the country, utilizing both physical and digital platforms (upgrading website to accommodate key user needs). Our goal was to raise awareness, drive demand, and encourage greater consumption of fish through conducting of two Eat More Fish Campaigns during Homabay Summit in Homabay County and in Wote, in Makueni County. Our outreach spanned local, regional, and international arenas, including a variety of exhibitions and trade shows. Notably, the Authority's participation in six local shows significantly enhanced the visibility and impact of our efforts.

- **Promotion of safe fish handling and post-harvest fish loss management equipment's**

The Authority procured fish post-harvest loss equipment's which includes; Solar dryers, deep freezers, modern packaging materials, chillers and deep fryers

- **Training of fish marketing groups**

Training of fish marketing cooperatives is part of the BETA to development, which promotes active participation amongst the fisher folk community, the Authority trained **104** fish marketing groups tackling different topics which included the following;

Kenya Fish Marketing Authority
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1. Aggregation of harvests, fishers gain stronger bargaining power, enabling them to command fairer prices while reducing dependency on exploitative intermediaries.
2. Investment in shared post-harvest infrastructure, such as cold storage and processing facilities, which helps preserve product quality and reduce losses.
3. Access to better markets; through streamlined transportation and distribution, while also contributing to price stabilization by organizing structured, collective sales.
4. Financial linkages and training opportunities that act as a unified voice for members in policy and market dialogues.

- **Development of a Rapid Value Chain Appraisal for Enhanced Market Alignment**

The Authority has developed a Rapid Value Chain Appraisal (RVCA) which seeks to address several objectives which includes;

- ❖ To understand the product attributes that consumers and shoppers' value and so influence their behavior,
- ❖ Map the businesses and activities along the value chain,
- ❖ Identification activities that impact on the product attributes
- ❖ Create desired values that most influence consumer behavior and identify how those critical activities can be done better to deliver the desired product attributes.
- ❖ Establish existing value chain-based governance structures for co-innovation to create consumer value.
- ❖ Review policy instruments that directly or indirectly affect the performance of selected fish species to provide recommendations for enhanced market alignment of the selected fish species, including actionable steps to help improve chain performance.

This will be enhancing resources and capabilities related to the prioritised fish species, thereby strengthening their market orientation, fostering collaboration, and ultimately increasing profitability.

- **Development of fish market surveillance report to advice key stakeholders**

Kenya Fish Marketing Authority undertook fish market surveillance exercise across key inland fish markets in Kenya to assess the scale and dynamics of trade in fish originating from Illegal, Unreported, and Unregulated (IUU) fishing activities.

- **Environmental conservation Measures**

The Kenya Fish Marketing Authority in collaboration with the State Department for the Blue Economy and Fisheries together with its other agencies; KeFS, KMFRI, KFIC and FLTF, participated in the tree planting exercise.

Tree planting initiative aligns with the presidential directive to increase forest cover by planting 15 billion trees by 2032, aiming to mitigate the effects of climate change and safeguard our environment for future generations. KFMA planted a total of 141,334 mangroves saplings in the FY 2024/25 in Tana River County.

Implementation Challenges and Steps Forward

Throughout the year, we faced some implementation challenges which include;

- Lack of substantive Chief Executive Officer is derailing operationalization of the Authority
- Limited institutional capacity. Issues such as insufficient office space, a shortage of technical staff, and funding shortfalls impacted our progress.

Way forward;

- Embarked on resource mobilization for sustainability, growth, mission fulfilment and financial stability.
- Prioritizing the development key policy documents to inform operationalization of KFMA
- We have launched capacity-building initiatives for Beach Management Units, concentrating on marketing, value addition, and investment in the fisheries sector

- Training of fish marketing groups; this involves equipping fish value chain actors with skills to effectively market and sell their products. This helps them to understand market dynamics, pricing, quality standards and promotional strategies to maximize their profit and sustainability.
- Initiating strategic partnerships and MOUs in implementation of the Authority strategic goals.

To further enhance our ability to meet our mandate, we recommend the following steps:

- i. Secure funding from the government and strategic partners for key projects and administrative functions;
- ii. Allocate a Development Budget by the National Treasury to improve the efficiency of programs and projects.
- iii. Obtain approval from the National Treasury for the recruitment of essential staff to address skill gaps
- iv. Fund the implementation of a comprehensive Fish Marketing Information System to boost market efficiency, transparency, and sustainable fisheries management
- v. Invest in containerized solar-powered mini fish processing and cold storage facilities, modernize fish landing sites, and support the commercialization of key value chain players to reduce post-harvest losses.

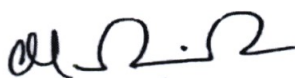
Future Focus

As we move forward, the Authority is committed to enhance capacity by recruiting a substantive Chief Executive Officer, essential staff, and securing appropriate office space. Our main goal is to commercialize the remaining 285 Beach Management Units and other fisheries value chain actors, transforming them into commercially viable fish Marketing Co-operatives. This effort is in line with the Bottom-Up Economic Transformation Agenda and aims to boost the fisheries sector's contribution to the GDP from Ksh.37 billion to Ksh.100 billion per year by providing the necessary facilities and infrastructure.

I wish to acknowledge the invaluable role of stakeholder collaboration in advancing the marketing of fish and fisheries products. Through strong partnerships among fishers, traders, processors, government agencies, and development partners, we have enhanced market access, improved product quality, and promoted value addition. This collective effort has not only boosted income for our fishing communities but also strengthened the competitiveness of our fisheries sector in local and regional markets. We remain committed to fostering such collaborations as a cornerstone for sustainable growth and shared prosperity in the blue economy.

I am pleased to present the Annual Report and Financial Statement, which relates our success to expenditure, achievements versus commitments, prudent financial management, and commitment to transparency. I thank all stakeholders for their continued support and dedication, which have been instrumental in our progress over the year.

Thank you.



HON. MARTIN O. OGINDO
CHAIRMAN OF THE BOARD

6. Report of the Chief Executive Officer

I extend my sincere appreciation to the KFMA management for their dedication and professionalism in the development of the Authority's Annual Report and Financial Statement for the FY 2024/25. This achievement reflects our collective commitment to transparency, accountability, and excellence in service delivery. The detailed insights and accurate financial records captured in this document is a reflection of hard work and collaboration. Let us build on this momentum as we address key challenges affecting Kenya's fisheries value chain to drive sustainable growth and innovation within the Blue economy sector.

Our primary aim is to transform Kenya's fisheries sector by organizing fish value chain actors into effective fish marketing groups and further initiate a saving culture through savings and credit co-operatives for affordable credit and sustainable saving scheme for the fisher folk.

KFMA is focused on strategic partnerships, promoting sustainable fish consumption, reducing post-harvest losses, improving the use of Management Information Systems (MIS) and driving value addition interventions while maximizing on achieving its mandate.

Achievements and Milestones

1. Commercialization of Beach Management Units (BMUs) to alignment with the Government's Bottom-Up Economic Transformation Agenda (BETA), we have mapped 460 BMUs nationwide for transformation into Fish Marketing groups. This year, we successfully transformed 175 BMUs and trained a total of 108 fish marketing groups across the country.
2. Development of key fish marketing governance instruments. The Authority towards strengthening governance instruments, developed the following; post-harvest loss management tool, Market Standard Operating Procedures, Risk Management Framework and Fish Value Chain Actors Training Manual
3. Participated in three shows/exhibitions/trade fairs and eat more fish campaigns to promote trade and marketing of fish and fisheries products. The objectives were to stimulate demand and increase consumption of fish and fisheries products. The outreach was through local, regional, and international platforms, including exhibitions and trade fairs.
4. Conduction of trainings and meetings on schedule for Board and staff to address key operational and management performance including training on Mwongozo Code of Conduct, Resource Mobilization Strategies and Role of the Board in Resource Mobilization;
5. Development of productivity mainstreaming plan and able to have an Authority improvement index;
6. Finalization of National Fish Marketing strategy;
7. Promotion of safe fish handling and post-harvest fish loss management equipment's
8. Engagement of interns and attachees to complement the Authority's staff gap

Financial Highlights

During 2024/25, the Authority received an Exchequer grant of KES 10.2 million and supplementary allocation of 60.49 million totalling to a budget of 70.69 million significant increase from the previous year's allocation of KES 51 million. This increase reflects our commitment to fiscal responsibility and transparency. We have implemented stringent cost control measures, resulting in improved operating margins and financial stability.

The main challenges which need to be addressed for effective marketing of fish and fisheries products from Kenya include;

- i. Low contribution of fisheries to the National GDP which currently stands at around 0.7 % due to limited capacity to competitively trade in fish and fisheries products. This can only be improved through enhanced capacity of fish traders to sell more at competitive prices.
- ii. High post-harvest losses in fisheries value chains due to limited infrastructure and knowledge in value proposition to support value addition and recovery of losses along the supply chain.
- iii. Low per capita consumption of fish in Kenya. In Kenya, the per capita fish consumption is 4.5kg as compared to the Africa average of 10kg and the global average 20kg. This affects the demand of fish locally and there is need for a catalytic engagement to spur more consumption.
- iv. Inadequate market data and information. The operators in the fisheries value chain are scattered and disjointed in the management of marketing functions and this makes it difficult to make informed decisions on where to source the products and where to sell competitively.
- v. Ineffective traceability systems. Due to challenges of pollution and contamination, consumers are more concerned about the source of fish and fish products that they intend to consume. This therefore requires a coordinated system to track the source and the distribution channels that provide assurance on quality and safety.
- vi. Failure to understand emerging markets. Certain markets are specific on certain attributes such as; carbon foot prints in production and distribution channels, conservation, organic production that meet requirements for certain markets. There is a need for capacity development to ensure compliance to certification schemes to meet such market requirements. KFMA is working to ensure conformity to increase market share in the international market and for premium pricing.
- vii. Weak intergovernmental relations between the National Government and the county Governments. It is critical to address the challenges that arise from fish marketing among county governments and also to harmonize the operations with national fish marketing policies. KFMA therefore provides linkages that facilitate policy implementation on matters relating to fish trade.
- viii. Limited access to international markets. Access to international markets is critical especially for marine products whose consumption locally are not adequate but fetch relatively higher price in the

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EU, Asia continent and the USA markets. KFMA is a facilitator in gathering relevant information and sharing with stakeholder to enhance trade volumes that contributes to increased foreign exchange.

- ix. Weak market research and lack of value chain analysis to inform market interventions. KFMA as an authority provides consultancy services and technical advice on research and value chain analysis to inform effective market operations.
- x. Disorganized small-scale fishers. Many small-scale fishers operate individually thus lack strong bargaining power and are therefore exploited by middlemen. To address this challenge, KFMA is undertaking a nationwide exercise to transform 460 BMUs into marketing organizations to streamline marketing in fisheries.

Outlook: As we look forward, Kenya Fish Marketing Authority remains dedicated to achieving its mandate. We have set ambitious goals for the FY 2025/26:

1. **Expanded Market Access:** We will continue to explore new markets and partnerships, both locally and internationally, to further expand the reach of Kenyan fish and fish products.
2. **Innovation and Technology:** We will promote partnerships and investments in cutting-edge technology for processing, packaging, and distribution to ensure product quality and reduce post-harvest losses.

Sustainability: Environmental sustainability is a core value. We will work towards responsible fishing practices including deterring to the extent possible trade in Illegal, Unreported and Unregulated fish and environmental conservation. Tree planting initiative aligns with the presidential directive to increase forest cover by planting 15 billion trees by 2032, aiming to mitigate the effects of climate change and safeguard our environment for future generations. KFMA planted a total of 141,334 mangroves saplings in the FY 2024/25 in Tana River County.

3. **Capacity Building:** We will focus on strengthening the capacity of our workforce and fisher folk through training and skill development programs.

In conclusion, Kenya Fish Marketing Authority has made significant progress in addressing fish marketing challenges within the fisheries value chain. We are grateful for the support of the Board of Directors, State Department for the Blue Economy and Fisheries, KFMA Management, our stakeholders, partners. Together, we are poised to unlock the full potential of Kenya's Blue Economy space and improved livelihood of fisher folk community.

Thank you for your continued support.



CHARLES OGWANG
Ag. CHIEF EXECUTIVE OFFICER
KENYA FISH MARKETING AUTHORITY

7. Statement of Performance against Predetermined Objectives for FY 2024/2025

Introduction

In accordance with Section 81 (2) (f) of the Public Finance Management Act, 2012, it is required that at the end of each financial year, the Accounting Officer of each National Government entity prepares financial statements that include a statement of the entity's performance against predetermined objectives. This is to be done following the standards and formats set by the Public Sector Accounting Standards Board.

The key development objectives outlined in the Kenya Fish Marketing Authority's 2023-2027 Strategic Plan are:

- a. To operationalize KFMA;
- b. To build capacity of fish value chain actors;
- c. To strengthen policy and legal framework;
- d. To promote diversification of fish and fisheries products;
- e. To enhance market access for fish and fisheries products; and
- f. To increase demand for fish in Kenya.

Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

MDA Program (Strategic Focus Area)	Objective	Activities	Key Performance Indicator	Achievements
Development of KFMA institutional capacity.	To operationalize KFMA	Training of KFMA Board of Directors and Staff	Number of Board of Directors and staff trained	Five (5) staff members and six (6) Board members were trained on Mwongozo (Board induction); Succession management; and Governance and Resource mobilization

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Capacity Development of Key Fish Value Chain Actors.	To build capacity of fish value chain actors	Sensitize BMUs and other fish value chain actors to ensure smooth marketing of fish and fishery products	The number of BMUs and other fish value chain actors sensitized	A total of 148 BMUs were sensitized on KFMA mandate, its role and formation of Fish Marketing Cooperatives.
		Formalize/transform BMUs and other fish value chain actors.	Number of BMUs and other fish value chain actors formalized/transformed	A total of 27) Beach Management Units (BMUs) have been formalized into Fish Marketing Co-operatives.
		Train BMUs and other fish value chain actors	Number of BMUs and other fish value chain actors trained	A total of 104 Fish Marketing Cooperatives were trained on Governance, Financial Literacy, Value addition and post-harvest fish loss management.
Development of Policy and legal frameworks on marketing of fish and fishery products	To strengthen policy and legal framework	Policies and regulations developed/ reviewed	Level of Policies and regulations developed/ reviewed (%)	The National Fish Marketing Strategy was reviewed.
Diversification of fish and fishery products and markets; and fish post-harvest loss management.	To promote diversification of fish and fisheries products.	Organize/participate in trade fairs, shows and exhibitions to promote innovations, technologies and fish and fisheries products	Number of trade fairs, exhibitions shows and conferences attended.	Participated in the Nairobi International Trade Fair and other exhibitions in Homabay, Siaya and KICC Nairobi.

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Market Access for fish and fisheries products	To enhance market access for fish and fisheries products	Undertake fisheries value chain analysis	Level of fisheries value chain analysis undertaken (%).	Value Chain Analysis was undertaken for Sea weeds and Catfish.
Promotion of fish consumption in Kenya	To increase demand of fish in Kenya	Conduct eat more fish campaign	Number of eat more fish campaign conducted	Two (2) “eat more fish campaigns” were conducted in Makueni and Homabay Counties.

8. Corporate Governance Statement

The Kenya Fish Marketing Authority (KFMA) is dedicated to maintaining the highest standards of corporate governance in its operations. This Corporate Governance Statement outlines the governance framework, policies, and practices for the financial year 2024/25, as well as the commitment of KFMA to responsible governance.

KFMA operates with a comprehensive and dynamic Board Work Plan that outlines strategic priorities, key tasks, and objectives for the Board of Directors, ensuring alignment with the organization’s mission and vision.

The Board of Directors plays a crucial role in guiding KFMA’s activities, with responsibilities including:

- i. Approving and overseeing the implementation of strategic plans;
- ii. Monitoring financial performance and budgeting;
- iii. Ensuring compliance with legal and regulatory requirements;
- iv. Appointing, evaluating, and retaining senior management; and
- v. Safeguarding the interests of stakeholders.

KFMA is dedicated to enhancing the skills and knowledge of its directors. A structured induction program is in place to familiarize new directors with the organization's operations and governance procedures. Furthermore, continuous education and training opportunities are provided to directors to keep them informed about industry trends, governance best practices, and evolving legal requirements.

Effective succession planning is recognized as vital for continuity and leadership development. KFMA has established a succession plan to identify potential future leaders and outline processes for their development and advancement.

Directors are appointed in strict compliance with the Fisheries Management and Development Act, Cap. 378 and other relevant laws. The appointment process is thorough and transparent, involving nominations, vetting, and approval by the appropriate authorities to ensure directors possess the necessary skills, experience, and integrity.

The removal of directors is conducted in accordance with the Fisheries Management and Development Act, Cap. 378 and the Mwongozo Code of Conduct. Grounds for removal include breaches of fiduciary

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duties, conflicts of interest, or other misconduct that could harm the organization. Such decisions are made with careful consideration of the organization's interests and stakeholders.

KFMA conducts regular and rigorous performance evaluations of the Board, its committees, and individual directors. These evaluations are carried out annually by the State Corporations Advisory Committee to ensure impartiality and objectivity. Evaluation results are used to identify areas for improvement and to acknowledge exceptional contributions.

A robust Conflict of Interest register is maintained by KFMA, requiring directors to disclose any potential conflicts. Policies outline procedures for managing conflicts of interest, emphasizing transparency and accountability.

KFMA adheres to principles of fairness and transparency in determining board remuneration. Director compensation is set according to prevailing government rates, with the Chairperson receiving monthly honoraria as prescribed.

Under the period under review, the KFMA Board held two full board meetings and six committee meetings. These meetings addressed various strategic, financial, and governance matters.

Director attendance at board meetings is given significant importance. In 2024, the average attendance rate of board members at regular meetings was 95%, reflecting their commitment to their fiduciary duties.

The Kenya Fish Marketing Authority remains committed to the highest standards of corporate governance. Through transparency, accountability, and ethical conduct, we strive to effectively and responsibly fulfil our mandate of marketing fish and fisheries products from Kenya. This Corporate Governance Statement underscores our unwavering dedication to responsible governance practices.

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9. Management Discussion and Analysis.

The Kenya Fish Marketing Authority (KFMA), established as a State corporation in 2016, plays a vital role in promoting and marketing fish and fisheries products from Kenya. This Management Discussion and Analysis provides a comprehensive overview of KFMA's performance and financial status for the fiscal year ending 2025, highlighting key developments and strategic goals.

The governance structure of KFMA is fundamental to its success. The initial Board of Directors was appointed in September 2018 and reappointed in 2021 for an additional three-year term, ensuring leadership continuity and stability. In April 2023, the Authority welcomed a new Chairperson to guide its endeavours over the next three years.

KFMA is committed to human resource development. A significant achievement occurred in March 2022 with the development and approval of Human Resources instruments. The planned hiring of an additional 60 staff members, pending approval from the National Treasury, is set to significantly boost KFMA's operational capacity. This strategic development will enhance the Authority's ability to fulfill its mandate and support the Kenyan fisheries sector more effectively.

Despite notable performance, KFMA continues to face challenges related to inadequate funding. Over the past three years, the Authority received Exchequer grants of KSh. 16 million in 2021/22, KSh. 31 million in 2022/23 and KSh. 51 million in 2023/24 and 70.69m in 204/25 which helped KFMA achieve all the target for the financial year.

KFMA's strategic objectives are ambitious and forward-looking. The Authority aims to increase per capita fish consumption from 4.5 kilograms to 10 kilograms over the next five years, aligning with broader goals of enhancing nutrition and food security in Kenya. Additionally, KFMA seeks to boost the fisheries sector's contribution to the Gross National Product from KSh. 37 billion to KSh. 100 billion within the same period. These goals reflect KFMA's strong commitment to driving economic growth and development.

Over the last 3 years, the annual fish landing in tonnage and value has been as presented below.

Annual Fish Landings	2018		2019		2020		2021		2022	
	M. Tons	Value '000 KSh	M. Tons	Value '000 KSh	M. Tons	Value '000 KSh	M. Tons	Value '000 KSh	M. Tons	Value '000 KSh
Aquaculture	15,120	4,480,875	18,542	5,581,142	19,945	6,303,617	20,973	6,711,360	27,833	8,735,512
Lakes & Rivers	109,553	15,632,950	103,038	13,143,212	105,641	14,565,179	115,353	16,624,601	108,308	18,511,485
Total Fresh Water	124,673	20,113,825	121,580	18,724,354	125,586	20,868,796	136,326	23,335,961	136,141	27,246,997
Total Marine	24,248	4,543,855	27,740	4,923,867	25,741	5,662,564	27,409	7,060,396	38,141	10,320,470
Grand Total	148,921	24,657,680	149,320	23,648,221	151,327	26,531,360	163,735	30,396,357	174,282	37,567,467
Exports		3,017,394		3,446,123		2,775,194		4,221,335	801,477	6,383,563
Imports	26,383	2,974,678	22,813	2,798,951	19,892	2,251,861	19,601	2,478,751	12,694	1,819,400

Over the next 3 years, we will ambitiously drive both the fish production and earning to KSh. 100 billion as presented below and in line with the presidential directive on the increase of Fisheries contribution to the Gross Domestic Production.

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Projected Annual Fish Landings	2023		2024		2025	
	M. Tons	Value '000 KSh	M. Tons	Value '000 KSh	M. Tons	Value '000 KSh
Aquaculture	41,750	13,103,268	62,624	19,654,902	93,936	29,482,353
Lakes & Rivers	70,777	22,213,782	84,933	26,656,538	101,919	31,987,846
Total Fresh Water	112,527	35,317,050	147,557	46,311,440	195,856	61,470,199
Total Marine	52,613	16,512,752	84,180	26,420,403	126,271	39,630,605
Grand Total	165,140	51,829,802	231,737	72,731,844	322,126	101,100,804
Exports		10,213,701		16,341,921		26,147,074

KFMA recognizes its challenges, including the need for consistent and increased funding. However, these challenges are viewed as opportunities for innovation and improvement. The Authority will actively seek alternative sources of revenue and explore partnerships to bolster its financial stability.

In conclusion, Kenya Fish Marketing Authority remains dedicated to its mission and strategic goals. Despite financial constraints, the organization is poised for growth, with a Board of Directors² and a reinforced workforce on the horizon. KFMA's commitment to elevating fish consumption and its contribution to the nation's economy by uplifting the bottom of the pyramid fisher folk underscore its pivotal role in Kenya's development. As we move forward, the Authority remains steadfast in its pursuit of excellence and positive impact on the fisheries sector and the nation.

10. Environmental and Sustainability Reporting

The Authority is dedicated to enhancing food and nutritional security while improving the livelihoods and incomes of fisher folk and other stakeholders. To achieve its mandate of marketing fish and fisheries products, the Authority has prioritized three key strategic areas; Improved capacity to market fish and fisheries products; Functional policy and legal frameworks; and Enhanced market access for fish and fisheries products locally and internationally.

Our performances in the strategic areas are as outlined below:

a) Sustainability Strategy and Profile

The Kenya Fish Marketing Authority (KFMA) is committed to promoting sustainable fishing practices, ensuring the responsible use of aquatic resources, and contributing to the socio-economic development of Kenya's fishing communities. The fisheries sub-sector is currently facing numerous challenges, including a high prevalence of HIV and AIDS among fisher folk, the significant impact of the Covid-19 pandemic on both fish production and demand, Infrastructure gaps and the effects of climate change.

The government's commitment to the Blue Economy initiative, which emphasizes sustainable use of marine resources, provides a favourable policy environment. However, challenges such as corruption, inadequate enforcement of regulations, and political instability in some regions may hinder sustainability efforts. Global demand for fish and fisheries products continues to rise, offering opportunities for growth. However, fluctuating exchange rates, inflation, and global economic uncertainties pose risks. Climate change also significantly impacts fish stocks and marine ecosystems, necessitating adaptive strategies. Climate change has led to intermittent flooding and swamping of fish landing sites in our inland water bodies, undermining efforts for their construction and rehabilitation, among other issues.

KFMA aligns its sustainability strategy with international best practices by:

- **Adopting Ecosystem-Based Approach to Fisheries Management (EBM):** Ensuring that fishing activities are conducted in a way that maintains the health of marine ecosystems.
- **Promoting Certification Schemes:** Encouraging compliance with international standards such as the Marine Stewardship Council (MSC) certification, which assures consumers of the sustainability of fish products.
- **Engaging in Global Partnerships:** Collaborating with international organizations, such as the Food and Agriculture Organization (FAO), to share knowledge, resources, and best practices.

Despite these challenges, there is optimism within the sub-sector, particularly with the increase in per capita fish consumption. Resources have been allocated to upgrade fisheries infrastructure and operationalize institutions established by the Fisheries Development and Management Act, 2016. These efforts will be instrumental in achieving our mandate.

b) Environmental Performance

Climate change poses significant challenges to fisheries and aquaculture, affecting water bodies through acidification, shifts in sea temperatures, and alterations in circulation patterns. The increased frequency and intensity of extreme weather events, along with rising sea levels and related ecological changes, impact barrier islands, beaches, salt marshes, mangrove stands, and floodplains. These changes have the potential to alter the physicochemical properties of fish

habitats, directly influencing fish feeding, migration, and breeding behaviors, while indirectly affecting growth, mortality, and reproduction. Such impacts could hinder the achievement of development goals within the fisheries subsector.

Recognizing the strong link between climate and fish production, the Authority, in collaboration with the State Department, has initiated several environmental conservation efforts, including tree-planting initiatives. The State Department is also expediting the implementation of climate change mitigation and adaptation strategies in line with the Kenya Climate Smart Agriculture Strategy 2017-2026, the Kenya Climate Smart Agriculture Implementation Framework 2018-2027, the National Adaptation Plan 2015-2030, and the National Action Plan 2018-2022.

The increase in human population, high prices of fish and fishery products coupled with the open access of capture fisheries has led to over-fishing and the rise in Illegal, Unreported and Unregulated fishing. As a result, the Fisheries Management and Development Act, 2016 was enacted to protect, manage, use and develop the aquatic resources in a manner which is consistent with ecologically sustainable development, to uplift the living standards of the fishing communities and to introduce fishing to traditionally non-fishing communities to enhance food security.

c) Employee Welfare

The Authority is committed to a fair, transparent, and inclusive hiring process. The hiring policies are guided by principles of meritocracy, diversity, and equal opportunity, ensuring that all candidates are evaluated based on their qualifications, experience, and potential to contribute to the organization.

The recruitment process for both technical and non-technical staff within the Authority, from entry-level to senior positions, is managed by the Public Service Commission of Kenya. This process is strictly guided by the Commission's established guidelines, which are updated periodically. The Board of Management, in collaboration with the Commission, is responsible for overseeing promotions of junior and middle-level staff, following the delegated authority and guidelines.

The appointment of the Board Chair is made by the President, followed by vetting by the National Assembly and official gazetting. A critical consideration during recruitment and promotions is gender parity, as mandated by the Constitution of Kenya, 2010, and the Diversity Policy for the Public Service, 2016. The Authority is committed to aligning its practices with these principles to ensure they reflect the aspirations of the Kenyan people.

To support our development goals, the Authority places a strong emphasis on the performance of public service staff. Annual performance evaluations are conducted following the guidelines of the Staff Performance Appraisal System in the Public Service, 2016. Feedback is provided to employees to help them understand their strengths and areas for development. Appropriate sanctions or rewards are applied based on these evaluations.

In terms of training, the Authority prioritizes group training programs that support career advancement, motivate staff, foster teamwork, and maintain cost efficiency. KFMA has established clear career pathways for its employees, enabling them to progress within the organization based on their skills, performance, and aspirations. Career development plans are tailored to individual employees, ensuring that they receive the necessary support to achieve their professional goals. Additionally, the Authority is committed to providing a safe and healthy working environment for all its employees.

d) Market Place Practices

The Kenya Fish Marketing Authority (KFMA) is dedicated to upholding ethical standards and responsible practices in all its market-related activities. This includes fostering fair competition, maintaining strong supplier relationships, ensuring ethical marketing, and safeguarding consumer rights. It is committed to maintaining the highest standards of integrity and transparency in all its operations including zero tolerance for corruption and whistleblower protection.

To promote fair market practices, the Authority is currently implementing several initiatives aimed at reducing costs across the production, storage, distribution, and marketing of fish. This includes the modernization of fish landing sites at Lake Victoria and along the coastal strip, which will tackle storage issues that have contributed to high post-harvest losses and, consequently, elevated production costs. Additionally, we are constructing state-of-the-art markets in Kisumu, Mombasa, and Kilifi counties to resolve marketing challenges, alongside piloting digital and online marketing platforms.

The Authority recognizes the importance of providing both local and international markets with access to high-quality fish and fish products. To this end, we are planning the development of fish markets in the Coast, Western, and Rift Valley regions. Furthermore, we intend to establish containerized fish outlets nationwide to improve market accessibility and encourage increased fish consumption.

KFMA is committed to honouring all contractual agreements with its suppliers. The Authority ensures that all terms and conditions are clear and mutually agreed upon, and it adheres to these terms throughout the contract period. Besides, Timely payment is a cornerstone of KFMA's supplier relations. The Authority follows a strict payment schedule to ensure that suppliers are paid promptly and in full for their services or products. This fosters trust and reliability in its business relationships.

e) Corporate Social Responsibility / Community Engagements

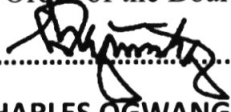
The Kenya Fish Marketing Authority (KFMA) is deeply committed to giving back to the communities it serves through a robust Corporate Social Responsibility (CSR) strategy. This strategy is aligned with the Authority's mission to promote sustainable fishing practices and improve the livelihoods of fishing communities across Kenya. KFMA's CSR initiatives focus on social investment, community development, environmental conservation, and education.

This has continued its support for community-led fisheries management initiatives. The Authority provided training to Beach Management units in coastal and inland regions, empowering them to manage their resources sustainably. This initiative has resulted in increased fish stocks and improved income for local fishers. The Authority held several stakeholder forums to engage with community leaders, fishers, and other stakeholders in L. Baringo, Naivasha and Lamu. These forums provided a platform for discussing community needs, receiving feedback on KFMA's initiatives, and co-creating solutions to local challenges.

In addition, KFMA has been actively involved in mangrove reforestation projects along Kenya's coast. In partnership with local communities and environmental organizations, the Authority supported the planting of thousands of mangrove seedlings Lamu and Tana River to restore degraded coastal ecosystems. These efforts have helped protect shorelines from erosion, enhance fish breeding grounds, and sequester carbon dioxide, contributing to climate change mitigation.

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By Order of the Board


.....

CHARLES OGWANG

Ag. CHIEF EXECUTIVE OFFICER

SECRETARY TO THE BOARD

11. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 require the Directors to prepare financial statements in respect of the Authority, which gives a true and fair view of the state of affairs of the Authority at the end of the financial year/period and the operating results of the Authority for that period. The Directors are also required to ensure that the Authority keeps proper accounting records which disclose with reasonable accuracy the financial position. The Directors are also responsible for safeguarding the assets of the Authority.

The Directors are responsible for the preparation and presentation of the financial statements, which give a true and fair view of the state of affairs at the end of the financial year ended on June 30, 2024. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the Authority; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

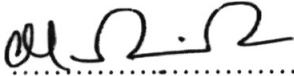
The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The Directors are of the opinion that the Authority's financial statements give a true and fair view of the state of Authority's transactions during the financial year ended June 30, 2024, and of the Authority's financial position as at that date. The Directors further confirms the completeness of the accounting records maintained, which have been relied upon in the preparation of the Authority's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed the entity's ability to continue as a going concern and nothing has come to the attention of the Directors to indicate that the Authority will not remain a going concern for at least the next twelve months from the date of this statement.

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Approval of the financial statements

The *Kenya Fish Marketing Authority's* financial statements were approved by the Board on _____ 2025 and signed on its behalf by:



.....
HON. MARTIN O. OGINDO
CHAIRPERSON OF THE BOARD



.....
CHARLES C. O. OGWANG
AG. CEO, KFMA

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KENYA FISH MARKETING AUTHORITY FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kenya Fish Marketing Authority set out on pages 1 to 18, which comprise of the statement of financial position as at

30 June, 2025, and the statement of statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Kenya Fish Marketing Authority as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Fisheries Management and Development Act, 2016 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Fish Marketing Authority Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources. Review of the status during audit of the Authority in 2024/2025 revealed that the following matters remained unresolved.

	Financial Year	Audit Issue
1.	2023/2024	Under Staffing in the Authority
2.	2023/2024	Insufficient Budget
3.	2023/2024	Lack of an Approved Strategic Plan
4.	2023/2024	Lack of an Approved Board Charter

Other Information

Management is responsible for the Other Information set out on page iii to xxxiii, which comprise of Key Entity Information and Management, the Board of Directors, Management Team, Chairman's Statement, Report of the Chief Executive Officer, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, and Statement of Directors' Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Authority's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Failure to Operationalize the Authority

Review of documents provided for audit revealed that the Authority was established on 29 September, 2016. However, the Authority had not been operationalized by 30 June, 2025, over nine (9) years later. This has made the Authority to lack capacity in human resources. Also, the State Corporation Advisory Committee, which categorized the Authority under Category 3C Parastatal, had advised that the Authority ought to have created five (5) departments: Marketing Development and Client Services, Marketing Research and Information Management, Corporate Services Department, Corporation Secretary and Legal Services, and the Internal Audit. However, none of them had been created as at 30 June, 2025.

Further, it was noted that the non-operationalization of the Authority made it impossible to receive the Kshs.52,702,696,000 as revenue, which had been projected for during the financial years; 2022/2023, 2023/2024, and 2024/2025 respectively, as detailed at page xxviii of the financial statements.

In the circumstances, Management was in breach of the law.

2. Failure to Establish and Operationalize the General Fund

Review of Section 207(1) of the Fisheries Management and Development Act, 2016 revealed that the Fish Marketing Authority ought to have established a General Fund, which should have been vested in the Board of Directors and into which the following monies should have been paid;

- a) monies appropriated by Parliament for the Fish Marketing Authority;
- b) monies that may accrue to or vest in the Fish Marketing Authority in the course of the performance of its functions under this Act or any other law and approved by Parliament;
- c) monies provided to the Fish Marketing Authority from the Fund;
- d) donations, grants and gifts made to the Fish Marketing Authority, and
- e) monies from any other source approved by the Cabinet Secretary for the time being responsible for matters relating to finance.

Section 207(2) of the Act provides that expenditure shall be paid out of the General Fund of the Fish Marketing Authority, while Section 207(3) of the Act provides that subject to the approval of the Cabinet Secretary for the time being responsible for finance, the Authority may invest funds not immediately required for its purposes.

In the circumstances, Management was in breach of the law and the failure to establish and operationalize the general fund has impacted negatively on the Authority's achievement of its objectives.

3. Failure to Operationalize the Beach Management Units

Field verification conducted in October, 2025, revealed that the Governors of Mombasa and Kwale Counties are holding the Cooperative certificates of Beach Management Units (BMUs) in these Counties and the BMUs were inactive despite the training and sensitization efforts that have been put into them.

In the circumstances, the BMUs operations were not operational and value for money has not been realised in their set-up.

4. Composition of the Board

Review of the Board composition revealed that the Board was not properly constituted because it lacked;

- i. A member with some knowledge and experience in matters relating to fisheries, nominated by the Council of Governors, the Chief Executive Officer of the Fund;
- ii. Four members who are nominated or selected through a competitive process, taking into consideration regional balance and gender parity, and appointed by the Cabinet Secretary;

Further, there was a member on the Board who represented the Office of the Attorney General. However, this office does not form part of the composition of the Board as is enshrined in Section 201 (1) of the Fisheries Management and Development Act, 2016.

In addition, the term of four (4) Board Members expired within the financial year, and, therefore, the Board was not fully constituted towards the end of the year.

In the circumstances, Management was in breach of the law and the Board was operating illegally.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Unconfirmed Board Evaluation

Review of documents provided for audit revealed that a Board evaluation exercise was conducted during the year. However, the report was not presented by the States Corporation Advisory Committee (SCAC) to the Board for adoption. Failure to present the report to the Board must have made it difficult for the Board to review its performance early so as to improve its annual plans. This is contrary to Section E part (4) of Management of State Corporation Circular Ref No OP/CAB.9/1A dated March 11, 2020, which provides that all State Corporations will be required to undertake their Board Evaluations within the first four months of every Financial Year or as directed by SCAC.

This will facilitate early review of performance and the implementation of improvement plans as developed.

In the circumstances, the effectiveness of the Board's operations in discharging its oversight roles could not be ascertained.

2. Lack of Approved Board and Committee Charters

Review of documents provided for audit revealed that the Authority operated without approved Board and Committee Charters during the year. This is contrary to Clause 1.11 of the Mwongozo Code of Governance, which provides that the Board should develop and adopt a Board Charter that defines the role, responsibilities and functions of the Board in the governance of the organization and that the Board should periodically review its Board Charter.

In the circumstances, the Board's efficiency might have been impaired in the absence of the approved Board and Committee Charters.

3. Failure to Carry Out a Governance Audit

Review of documents provided for audit revealed that a Governance audit was not undertaken during the financial year under review. This failure to conduct the audit is contrary to Clause 1.13 of the Mwongozo Code of Governance for State Corporations, which provides that, "the Board, in consultations with the oversight Office, should ensure that it subjects the organization to an annual governance audit by a member regulated by the Institute of Certified Public Secretaries of Kenya (ICPSK) and accredited for that purpose."

In the circumstances, the oversight roles of the Board may not have been effective.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and the Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters

related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

The Board of Directors are responsible for overseeing the Authority's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

09 December, 2025

Kenya Fish Marketing Authority
Annual Report and Financial Statements
for the year ended June 30, 2025.

13. Statement of Financial Performance for the year ended 30 June 2025

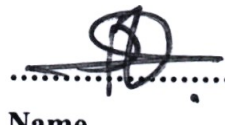
	Notes	FY 24/25	FY 23/24
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	5	70,690,000	51,000,000.00
Total revenue		70,690,000.00	51,000,000.00
Expenses			
Use of goods and services	6a, b	54,903,192.00	40,920,537.00
Board Expenses	7	4,529,070.00	7,924,516.00
Depreciation and amortization expense	8	675,333.33	310,150.00
Repairs and maintenance	9	957,280.00	138,460.00
Total expenses		61,064,875.33	49,293,663.00
Net Surplus for the year		9,625,124.67	1,706,337.00

The notes set out on pages 7 to 18 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 6 were signed on behalf of the Board of Directors by:


 Name

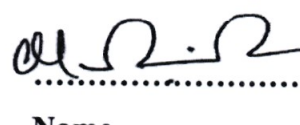
Ag. Chief Executive Officer
 Charles C. O. Ogwang

Date: 8/12/2025


 Name

Mathews Ouko
 ICPAK Member No: 6747

Date: 8/12/2025


 Name

Chairman of the Board
 Martin Ogindo

Date: 8/12/2025

Kenya Fish Marketing Authority
Annual Report and Financial Statements
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14 Statement of Financial Position as at 30 June 2025

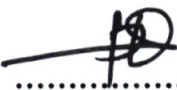
Description	Notes	FY 24/25 Kshs	FY 23/24 Kshs
Assets			
Current Assets			
Cash and Cash equivalents	10	4,030.55	21,568.00
Total Current Assets		4,030.55	21,568.00
Non-Current Assets			
Property, Plant and Equipment	11	14,894,321.40	1,759,655.00
Total Non- Current Assets		14,894,321.40	1,759,655.00
Total Assets		14,898,351.95	1,781,222.00
Liabilities			
Current Liabilities			
Trade and Other Payables	12	(3,492,005.00)	-
Total Current Liabilities		(3,492,005.00)	-
Total Liabilities		-	
Net Assets		11,406,346.95	1,781,222.00
Reserves		1,781,222.28	74,885.00
Accumulated Surplus		9,625,124.67	1,706,337.00
Total Net Assets and Liabilities		11,406,346.95	1,781,222.00

The financial statements set out on pages 1 to 6 were signed on behalf of the Board of Directors by:


 Name

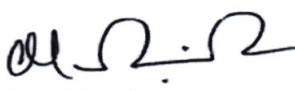
Ag. Chief Executive Officer
 Charles C. O. Ogwang

Date: 8/12/2025


 Name

Mathew Ouko
 ICPAK Member No: 6747

Date: 8/12/25


 Name

Chairman of the Board
 Martin Ogindo

Date: 8/12/2025

15. Statement of Changes in Net Assets for the year ended 30 June 2025

Description	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/Development Grants/Fund	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at July 1, 2024	-	-	-	1,781,222.28	-	-	1,781,222.28
Surplus/ (deficit) for the year	-	-	-	9,625,124.67	-	-	9,625,124.67
As at June 30, 2025	-	-	-	11,406,346.95	-	-	11,406,346.95

16. Statement of Cash Flows for the year ended 30 June 2025

		FY 24/25	FY 23/24
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	5	70,690,000.00	51,000,000.00
Total receipts		70,690,000.00	51,000,000.00
Payments			
Use of goods and services	6	51,411,187.00	40,920,537.00
Employee costs		-	-
Board Expenses	7	4,529,070.00	7,924,516.00
Repairs and maintenance	9	957,280.00	138,460.00
Total payments		56,897,537.00	48,983,512.90
Net cash flows from/(used in) operating activities		13,792,463.00	2,016,487.00
Cash flows from investing activities			
Purchase of PPE and Intangible assets	11	(13,810,000.00)	(2,129,492.00)
Proceeds from sale of PPE		-	-
Purchase of investments		-	-
Sale of investments		-	-
Net cash flows from/(used in) investing activities		(13,810,000.00)	(2,129,492.00)
Cash flows from financing activities			
Net cash flows from financing Activities		-	-
Net increase/(decrease) in cash & Cash equivalents		(17,537)	(113,005.00)
Cash and cash equivalents at 1 July 24		21,567.55	134,572.00
Cash and cash equivalents at 30 June 2025	10	4,030.55	21,568.00

17. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
Transfers from Other Governments entities	10,200,000.00	60,490,000.00	70,690,000.00	70,690,000.00	-	100%
Total Income	10,200,000.00	60,490,000.00	70,690,000.00	70,690,000.00	-	100%
Expenses						
Use of Goods and Services	6,931,660.00	55,682,340.00	62,614,000.00	54,903,192.00	7,710,808.00	82%
Employee costs	-	-	-	-	-	-
Remuneration of Directors	3,168,340.00	4,207,660.00	7,376,000.00	4,529,070.00	2,846,930.00	61%
Repairs and Maintenance	100,000.00	600,000.00	700,000.00	957,280.00	(257,280.00)	137%
Depreciation	-	-	-	675,333.33	(675,333.33)	-
Grants and Subsidies	-	-	-	-	-	-
Total Expenditure	10,200,000.00	60,490,000.00	70,690,000.00	61,064,875.33	9,625,124.67	86 %
Surplus for the period	-	-	-	9,625,124.67	-	-

**Kenya Fish Marketing Authority
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- i)** *The under utilization in use of goods was as a result of asset that was acquired toward the closure of the financial year.*
- ii)** *approved budget for Board Expenses was Ksh.7,376,000 while the actual amount on comparable basis was Kshs.4,529,070 resulting in an under expenditure on budget by Kshs.2,846,930, this was as results of four board members whose term expired, one board member retired from service and one board member transferred to another ministry during the year under review, therefore leading to the underutilization of board budget.*
- iii)** *KFMA has a serviceable vehicle which required engine overhaul, parts replacement and electrical works. The cost went beyond the budget due to the nature of works required to bring it back to use. Although old, it serves the organization as the only vehicle assigned*

18. Notes to the Financial Statements

1. General Information

Kenya Fish Marketing Authority is established by and derives its authority and accountability from Fisheries Management and Development Act. The Entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The Authority's principal activity is to market fish and fish products.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Authority. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2024.

There were no new and amended standards issued in the financial year.

ii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year.

Notes to the financial statements (continued)

3. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

b) Budget information

The original budget for the Current FY was approved by the National Assembly on 30th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Entity recorded an additional appropriation on the 2024/25 budget.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Authority operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Kenya Fish Marketing Authority
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

c) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Asset Description	Estimated useful life in years	Rate % or apportionment
Furniture, Fittings and Office Equipment	8	12.5%
Computers and Related Equipment	3.33	30%

Other additional assets were acquired toward the closure of the financial year, here were not depreciated.

d) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

e) Changes in accounting policies and estimates

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

f) Related parties

The Authority regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the Authority, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

h) Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

i) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

4. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Authority's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made:

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

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Useful lives and residual value

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Notes to the Financial Statements (Continued)

5. Transfers from Other Government entities

Description	FY 2025	FY 2024
	KSh	KSh
Unconditional Grants		
Operational Grant	70,690,000.00	51,000,000.00
Unconditional development grants	-	-
Other Grants	-	-
Total Unconditional Grants	70,690,000.00	51,000,000.00
Total Government Grants and Subsidies	70,690,000.00	51,000,000.00

The exchequer was issued to fund KFMA's day to day operations and to help achieve its core mandate as set out in FMDA, 2016. The additional funds totalling to ksh.60,490,000 was to help the entity transform the Beach Managements Units into Fish Marketing Cooperatives, Support Fish Post Harvest Losses Management, and promote Value addition.

Kenya Fish Marketing Authority
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b) Transfers from Ministries, Departments and Agencies (MDAs)

Name of the Entity Granting The Grant	Amount recognised in the Statement of Financial performance	Amount of deferred income	Amount recognised in capital funds	PY 2025	PY 23/24
	KShs	KShs	KShs	KShs	KShs
SDFABE	70,690,000.00	-	-	70,690,000.00	51,000,000.00
					-
Total	70,690,000.00	-	-	70,690,000.00	51,000,000.00

Notes to the Financial Statements (Continued)

6. Use of Goods and Services

Description		
Water	-	73,440.00
Professional Services	997,000.00	2,366,500.00
Advertising	8,817,700.00	5,961,861.00
Admin Fees	1,648,509.00	1,438,477.00
Conferences and Delegations	112,500.00	1,059,236.00
Fuel and Oil	1,480,099.00	1,302,571.00
Postage	-	-
Printing and Stationery	1,026,268.00	603,612.00
Hire Charges	302,460.00	567,200.00
Training	509,582.00	126,800.00
Telecommunication	206,060.00	6,524,270.00
Travel, Subsistence & Other Allowances	36,295,084.00	20,877,930.00
Bank charges	15,925.00	18,640.00
Total	51,411,187.00	40,920,537.00

Kenya Fish Marketing Authority
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b) Detailed analysis of trade payables under use of goods and services.

Description	2025	2024
Water	-	-
Professional Services	996,000.00	-
Advertising	900,000.00	-
Admin Fees	-	-
Conferences and Delegations	140,000.00	-
Fuel and Oil	489,870.00	-
Postage	-	-
Printing and Stationery	373,850.00	-
Hire Charges	-	-
Training	490,000.00	-
Telecommunication	-	-
Travel, Subsistence & Other Allowances	102,285.00	-
Bank charges	-	-
Total	3,492,005.00	-

7. Board Expenses

Description	2025	2024
Chairman/Directors' Honoraria	756,000.00	756,000.00
Sitting Allowances	894,000.00	1,863,000.00
Travel and Accommodation	1,274,000.00	2,004,900.00
Other Allowances	941,170.00	1,819,643.00
Insurance	-	563,528.00
Board Taxes	663,900.00	917,445.00
Total	4,529,070.00	7,924,516.00

Kenya Fish Marketing Authority
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for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

8. Depreciation and Amortization Expense

Description	Kshs	
Property, plant and equipment	675,333.33	310,150.00
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	675,333.33	310,150.00

9. Repairs and Maintenance

Description	Kshs	
Property and equipment	-	-
Investment Property	-	-
Equipment and Machinery	-	-
Vehicles	957,280.00	84,460.00
Furniture and Fittings	-	40,000.00
Computers and Accessories	-	14,000.00
Others (specify)	-	-
Total Repairs and Maintenance	957,280.00	138,460.00

10. Cash and Cash Equivalents

Description	FY 24/25		FY 23/24	
	Kshs		Kshs	
Current Account	4,030.55		21,567.55	
Total Cash and Cash Equivalents	4,030.55		21,567.55	

Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	FY 24/25		FY 23/24	
		Kshs		Kshs	
a) Current Account					
Co-operative Bank	1141866205100	4,030.55		21,567.55	
Sub- Total		4,030.55		21,567.55	

Kenya Fish Marketing Authority
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Notes to the Financial Statements (Continued)

11. Property, Plant and Equipment

Cost	Other Office	Buildi	Motor	Furniture	Computer	Equipments	Total
	Accessories	ngs	vehicles	and fittings	&Other		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As At 1July (Previous FY)	-	-	-	15,940.00	1,743,714.73	-	1,759,654.73
Additions during FY 24/25	1,355,000.00	-	-	-	-	12,455,000.00	13,810,000.00
Disposals	-	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-
As at 30th June 2025	-	-	-	15,940.00	1,743,714.73	12,455,000.00	15,569,654.73
Depreciation and Impairment							
Depreciation	-	-	-	2,500.00	672,833.33	-	675,333.33
Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-
As at 30th June 2025	-	-	-	2,500.00	672,833.33	-	675,333.33
Net Book Values	-	-	-	-	-	-	-
As at 30th June 2025	1,355,000.00	-	-	13,440.00	1,070,881.40	12,455,000.00	14,894,321.40

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Notes to the Financial Statements (Continued)

11 (b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Description	Cost	Accumulated Depreciation	NBV
	Ksh	Ksh	Ksh
Computers And Related Equipment	2,109,492.60	1,038,611.60	1,070,881.40
Office Equipment, Furniture, And Fittings	20,000.00	6,560.00	13,440.00
Other Office Accesories	1,355,000.00	-	1,355,000.00
Equipments	12,455,000.00	-	12,455,000.00
Total	15,939,492.60	1,045,171.60	14,894,321.00

Other assets additional assets were acquired towards the closure of the financial year, hence they were not depreciated.

12.Trade and Other Payables

Description		
Trade payables	3,492,005.00	-
Employee payables	-	-
Other payables	-	-
Total trade and other payables	3,492,005.00	-

Notes to the Financial Statements (Continued)

13. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the Authority include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the Authority, holding 100% of the Authority's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

Other related parties include:

- i) The Parent Ministry.
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) Key management.
- v) Board of directors.

14. Events after the Reporting Period

There were no material adjusting and non-adjusting events after the reporting period.

15. Ultimate and Holding Entity

The Entity is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of Mining, Blue Economy and Maritime Affairs. Its ultimate parent is the Government of Kenya.


16. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest cents

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19. Appendix- Inter-Entity Confirmation Letter

Name of MDA Transferring the funds	Date received	Nature Recurrent /Development	Total Amount - KES	Statement Financial Performance	Where Recorded/recognized			Transfers from Other Government Units	Total Transfers during the year
					Capital Fund	Deferred Income	Receivables		
SDFABE	12- Sep-2024	Recurrent	850,000.00	Y				Y	850,000.00
SDFABE	13- Sep-2024	Recurrent	850,000.00	Y				Y	850,000.00
SDFABE	16-Oct-2024	Recurrent	850,000.00	Y				Y	850,000.00
SDFABE	08-Nov-2024	Recurrent	850,000.00	Y				Y	850,000.00
SDFABE	09-Dec-2024	Recurrent	850,000.00	Y				Y	850,000.00
SDFABE	03-Jan-2025	Recurrent	850,000.00	Y				Y	850,000.00
SDFABE	10-Feb-2025	Recurrent	850,000.00	Y	-	-	-	Y	850,000.00
SDFABE	13-Mar-2025	Recurrent	850,000.00	Y				Y	850,000.00
SDFABE	08-Apr-2025	Recurrent	850,000.00	Y	-	-	-	Y	850,000.00
SDFABE	06-May-2025	Recurrent	63,040,000.00	Y				Y	63,040,000.00
Total			70,690,000.00		-	-	-		70,690,000.00



 Ag. CEO, Charles O. Ogwang



 Head of Accounting Unit